VZCZCXRO8223
PP RUEHLN RUEHVK RUEHYG
DE RUEHDBU #0525/01 0990720
ZNR UUUUU ZZH
P R 090720Z APR 07
FM AMEMBASSY DUSHANBE
TO RUEHC/SECSTATE WASHDC PRIORITY 0006
INFO RUCNCIS/CIS COLLECTIVE
RUEAIIA/CIA WASHINGTON DC
RHEFDIA/DIA WASHINGTON DC
RHEHAAA/NSC WASHINGTON DC
RUEHBUL/AMEMBASSY KABUL 2041
RUEHIL/AMEMBASSY ISLAMABAD 2075
RUEHNE/AMEMBASSY NEW DELHI 2046
RUEHDBU/AMEMBASSY DUSHANBE 1658

UNCLAS SECTION 01 OF 04 DUSHANBE 000525

SIPDIS

SENSITIVE SIPDIS

STATE FOR SCA/CEN, DRL

E.O. 12958: N/A

TAGS: PGOV PREL ECON EAID TI

SUBJECT: TAJIKISTAN AT THE CROSSROADS

DUSHANBE 00000525 001.2 OF 004

- 11. (SBU) Five months after the presidential election secured President Rahmonov a third seven-year term, Tajikistan seems to have stalled on the road of reform. Throughout 2006, Rahmonov assured international visitors and his public alike that "after the election," new blood and new ideas would take Tajikistan to a new era of economic prosperity and open civil society. This has not happened.
- 12. (SBU) Instead of steering his country towards much needed reform and growth, we see a number of worrying tendencies in Rahmonov's leadership and government. Increased unconditional economic assistance from China and Iran undermine the importance of creating a business climate that attracts private investors, and the pernicious little-brother-big-brother relationship with Russia works against the U.S. (and European) programs on rule of law and good governance. Without sufficient incentives to correct these growing tendencies, Tajikistan will risk becoming a less stable, less prosperous country mired in poverty, unemployment and clan politics.
- ¶3. (SBU) Rahmonov has not changed his "open door" policy of working with all countries and united diplomatic pressure can still counter some of the repressive tendencies. Recently, coordinated efforts by the U.S and European missions and other donors convinced the government not to expel expatriates working for a registered non-governmental organization, and helped slow the passage of a controversial law on public associations. We still have the opportunity to influence Rahmonov and his government, but it will take heavy diplomatic push, and coordination with like-minded donors.

The Backwards Trajectory

- 14. (SBU) A number of trends raise concerns about the direction Tajikistan is moving:
- -- Tighter government control: Since the November 2006 presidential election and the government restructuring, Rahmonov's administration seems to be sliding backwards, employing more Soviet era tactics for controlling all elements of society. Various ministries, including Justice, Foreign Affairs and Education, have cracked down on non-governmental organizations, using legal proceedings and extra-legal bureaucratic tactics to threaten expatriate workers with

expulsion, prevent import of radio equipment, and refuse registration. The government has restricted freedom of religion by shutting down a number of mosques and used licensing requirements to prevent them from operating legally. Police have rounded up children found in mosques during the day. Government agencies have increased registration and reporting requirements for all organizations, local and international. Government agencies frequently demand a formal diplomatic note and the Foreign Minister's permission before agreeing to meet a diplomat or non-governmental organization representative, even at the working level. Moving the Anti-Monopoly Committee into the Ministry of Economy further consolidates government control of what should serve as an independent watch-dog agency.

- -- Smaller, less competent inner circle: Despite Rahmonov's claims that his new cabinet brought in new blood, the same favorites are at the table, just in different chairs. In the worst cases, like the Ministry of Energy and Industry, an unqualified presidential relative replaced technically experienced ministers. Rahmonov's top economic advisors -- "first brother-in-law" Hasan Sadulloev, head of Orion Bank, and uncle Matlubhon Davlatov, Presidential Economic Advisor -- have made considerable fortunes through privatization of Tajik state enterprises, but do not have the education or experience required to bring a post-conflict country with few resources into the global economy.
- -- Little political will to go beyond rhetoric: Rahmonov can talk the talk about democracy, land reform, and anti-corruption measures, but has shown little inclination to do more than spout donor-pleasing window-dressing rhetoric. His fight against corruption is weakened by the fact that the new "Agency to Fight Corruption" is headed by Sherhon Salimov, a former Dushanbe city prosecutor believed to have substantially enriched himself through government service. Recent government rhetoric about rooting out corruption has been aimed at inconsequential targets -- teachers supplementing their \$20 per month salaries and students driving nice cars -- but has avoided top-level

DUSHANBE 00000525 002.2 OF 004

offenders. After the presidential election, the government has cracked down harder on free media and non-governmental organizations, rather than loosening up conditions, as senior officials predicted. Internet sites were closed before the election, and some remain blocked. Several local newspapers remain unregistered and the government tightly monitors Tajikistan's few printing presses. The parliament only stalled passage of the government-supported draft Law on Public Associations after significant international and local objections to the legislation which would have introduced more stringent rules on registration and government oversight.

-- Finally, some public outcry: Tajiks largely believe political protests and street demonstrations sparked the 1992-1997 civil war, and until recently most citizens have been too afraid to criticize Rahmonov or organize any public action that could be perceived as threatening stability. However, the consistent lack of electricity in rural districts during a cold winter has led to a number of spontaneous public protests. Reports of women marching on a local government building, protesters tearing up pictures of Rahmonov and citizens vandalizing a local factory that had electricity while the town remained in the dark suggest that Tajiks may slowly be growing tired of the terrible living conditions and demand more from the government. Dushanbe residents living in an area slated to be razed for the expansion of the presidential dacha also wrote an open letter to Rahmonov, complaining of the proposed seizure of their homes to support a new urban plan. These small acts of public advocacy are unusual in the complacent post-war Tajikistan but could indicate mounting dissatisfaction with Rahmonov's regime.

Tajikistan at a Crossroads

- 15. (SBU) Although Tajikistan has slid backwards in many areas, it still sits at a crossroads, figuratively and geographically. On the positive side, Rahmonov remains genuinely popular and at the very least knows the buzzwords Western donors and investors want to hear: anti-corruption, democracy, free elections, a better business climate, investing in health and education. His government restructuring demonstrates that on the surface, Tajikistan can respond to donor suggestions for better governance, and we see signs of progress in local governance and decentralization. The economy is growing -- more cars on the street, more goods in the markets, and a construction boom driving up rents. Tajikistan's cooperation on counter-narcotics and counter-terrorism programs has given us a reliable partner for regional security, particularly in regards to Afghanistan. Should these patterns continue, Tajikistan could have the basis for a prosperous and stable country, despite the tough neighborhood.
- 16. (SBU) But things could easily move in another direction. Rahmonov has not always demonstrated the political will or bureaucratic tenacity to implement fully all the changes he touts, Nepotism and regionalism prevent almost any talented newcomer not from Danghara or well-connected in the system from rising above the rank of department head in a ministry. The older Soviet-trained bureaucracy is having trouble adjusting to new realities; and the crumbling education system shows little promise of training competent replacements.
- 17. (SBU) Rahmonov's recurring emphasis on Tajikistan's Persian roots seems mostly symbolic and has not contributed visibly to national unity. During the Navruz Persian New Year festival March 21-22, Rahmonov publicly announced he was changing his name to "Rahmon" rather than the Russified Rahmonov, as a sign of respect for his Persian heritage. (Comment: One theory suggests he changed his name so it could rhyme better in poetry. End Comment.) Rahmonov hosted a trilateral Iranian-Afghan-Tajik summit in July 2006, and he declared 2006 the Year of Arian Culture (probably not understanding how that resonates in Western ears).
- 18. (SBU) The Persian push is, in part, a search for national symbols and identity other than Islam. The Tajik authorities still maintain strong feelings against anything resembling Islamic fundamentalism. However, Rahmonov's recent trips to Syria, Egypt and the United Arab Emirates show Rahmonov is willing to take advantage of Tajikistan's Muslim heritage too, especially as he seeks closer ties with other Muslim countries that do not necessarily support democratic change or economic

DUSHANBE 00000525 003.2 OF 004

freedom. The recent announcement by the Tajik Deputy Prime Minister supporting Iran's rights to peaceful nuclear technology is probably equal parts pan-Persian solidarity and support for the greater Islamic world, mixed with a dose of practical recognition that Iran is a useful donor.

- 19. (SBU) Meanwhile, the crumbling education and health infrastructure has left the next generation of Tajiks with significantly fewer intellectuals capable of managing Tajikistan. The paucity of English speakers-and opportunities to learn English-means that Tajikistan continually looks to Russia and Russian-speaking countries, rather than seriously engaging India and Pakistan.
- 110. (SBU) Iran, Russia and China all exert increasing influence on Tajikistan through substantial infrastructure projects totaling more than \$1 billion. This influx of investment funds allows the Tajik government to brush aside the U.S. message that fiscal responsibility, an improved business climate, rule of law, and transparent and accountable institutions are necessary to attract investment. Tajik authorities still believe the relative lack of U.S. direct investment is a political decision of the U.S. government and for the most part fail to understand the economic implications of their own political decisions, e.g., clamping down on free media and NGOs. Despite its lack of capacity and natural resources, Tajikistan seeks to follow

China's development model -- something that does not necessarily bode well for our priority of promoting just governance.

How the U.S. can nudge Tajikistan down the right path

11. (SBU) In a risk-averse culture like Tajikistan, change comes in increments and we still have a window to help Tajikistan move in the direction of democratic growth and political stability. Our current assistance programs do provide important support in key sectors, including security and counter-narcotics, agriculture, education, health and governance. But it will take heavy engagement in three key areas to make meaningful progress in putting Tajikistan on the

Educational and professional exchanges

- 112. (SBU) If we want Tajiks to have a model other than China, Russian or Iran, we need to provide them the opportunity to see another way of living and doing business, through increased exchange programs. Tajiks pay lip-service to the ideas of democracy and market economics, but real change only comes when the officials and leaders exposed to these ideals in practice also have the capacity and influence to internalize the message and advocate for reform. True reform is a long-term goal, which is why we were particularly disappointed to learn of the 10% cut to our FLEX (Future Leaders) program. The Future Leaders program has a potentially greater impact than any of our other exchanges, as it gives citizens of an isolated country the ability to develop an appreciation for democracy and an understanding of individual rights and responsibilities, while they are still young enough to absorb fully the messages (and are more likely that older educational exchange students to return home.)
- 113. (SBU) Peace Corps would also be a tremendous public diplomacy and assistance tool. Nothing has an impact on a poor, isolated country like a cadre of motivated young Americans living in communities, teaching English or small business development and sharing U.S. values and ideals. A program in Tajikistan would also train a group of public service-minded Americans in Farsi much better than the current push to increase Farsi training in U.S. universities.

High-level visits

right path:

114. (SBU) It's all about the relationship-building here. Offering and accepting hospitality, sharing some toasts, and slowly building a personal connection cannot be achieved without regular interaction. High-level visits allow visitors and post to make personal connections with top decision makers that

DUSHANBE 00000525 004.2 OF 004

result in back doors to President Rahmonov and a real relationship of mutual understanding. The August bridge opening will be a good opportunity for high-level interaction focusing on our mutual goals of regional integration and border security.

Grassroots assistance programs

115. (SBU) Tajikistan desperately needs assistance programs that build capacity on the local level. Existing USAID programs such as the Water Users' Associations and the local government project have strong track records on teaching local officials and communities accountable and responsible governance. They create an organic kind of civil society with an immediate impact, and in the current political environment, they

effectively demonstrate to average Tajiks the tangible benefits of democracy. At the moment, we get more traction and progress from of these kinds of democracy programs, than the politically-charged projects with political parties that cannot operate due to government pressure. Only when there is a base of grassroots activism will Tajiks look to political parties to represent their interests.

116. (SBU) Comment: Tajikistan may not seem like a front-burner priority as long as it remains relatively stable in a region with other problems. But we must work now to counter the backward trend towards an authoritarian government and declining human capacity if we are to avoid future instability. End Comment.

JACOBSON